

AMENDED IN ASSEMBLY APRIL 6, 2017
AMENDED IN ASSEMBLY MARCH 23, 2017
CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 805

Introduced by Assembly Member Gonzalez Fletcher

February 15, 2017

An act to amend Sections 120050.2, *120051*, 120051.6, 120102.5, 125050, 125102, 132351.1, 132351.2, 132351.4, 132352.3, 132354.1, and 132360.1 of, to add Article 11 (commencing with Section 120480) to Chapter 4 of Division 11 of, to add Article 9 (commencing with Section 125480) to Chapter 4 of Division 11.5 of, and to repeal Sections 120050.5 and 120051.1 of, the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 805, as amended, Gonzalez Fletcher. County of San Diego: transportation agencies.

(1) Existing law provides for the consolidation of certain regional transportation planning, programming, and related functions in San Diego County from various existing agencies including the San Diego Association of Governments (SANDAG), the San Diego Metropolitan Transit Development Board, also known as the San Diego Metropolitan Transit System (MTS), and the North County Transit District (NCTD).

Existing law provides for the consolidated agency, commonly known as SANDAG, to be governed by a board of directors of 21 city and county members selected by the governing body of each member agency.

This bill would require the mayor of each city to serve on the board of directors, except in the case of the City of San Diego, where the mayor and the president of the city council would serve. The bill would require the chairperson of the County of San Diego board of supervisors to serve on the ~~board~~. *board as one of the 2 members on the board from the county board of supervisors* The bill would also revise the selection of alternate members of the board.

Existing law, in order for the SANDAG board to act on any item, generally requires a majority vote of the members present on the basis of one vote per agency as well as a weighted vote pursuant to a specified process, except in the case of consent items.

This bill would instead require a majority of the weighted vote of the board members present in order for the board to act on any item. The bill would also modify the weighted vote process.

Existing law provides for SANDAG to have 4 standing policy advisory committees named the executive, transportation, regional planning, and borders committees.

This bill would additionally provide for an audit committee with specified responsibilities, including the ~~selection~~ *appointment* of an independent *performance* auditor. The bill would require SANDAG to submit an annual report to the Legislature, developed by its transportation committee, that outlines various matters related to public transit.

Existing law provides for the consolidated agency to prepare a regional comprehensive plan containing various elements, as specified.

This bill would require the regional comprehensive plan to address greenhouse gas emissions reduction rules and regulations adopted by the State Air Resources Board and associated emissions limits. The bill would also require the plan to identify disadvantaged communities. The bill would require the plan to include strategies relative to those matters.

(2) Existing law creates MTS and NCTD, with various public transit responsibilities in the southern and northern parts of the County of San Diego, respectively. Existing law provides for MTS to be governed by a board of 15 members, while NCTD is governed by a board of 9 members, with each board generally consisting of city and county representatives selected by member agencies. Existing law provides that the chairperson of the MTS board is a resident of the County of San Diego selected by the board, as specified.

This bill would generally require the city representatives on each board to be the mayor of the city, except in the case of the City of San

Diego, where 3 of the 4 members other than the mayor would be selected by the city council. The bill would provide for the city council of the City of Chula Vista to appoint a 2nd member. The bill would provide for the chairperson of the MTS board to ~~be the mayor of the City of San Diego~~. *alternate between the mayors of the 2 largest cities. The bill would require the member of the board of supervisors to be the member representing the district with the greatest percentage of its area within the incorporated area of the county within the MTS jurisdiction.* The bill would also revise the process for selecting alternate members of the MTS board.

Existing law generally provides that official acts of the MTS or NCTD board require the affirmative vote of the majority of the members of the board, except that a weighted vote of the MTS board may be requested pursuant to a specified process.

This bill would create a similar weighted voting process for NCTD. The bill would require all official acts of the MTS or NCTD boards to require the affirmative vote of the majority of the weighted vote of the board members present.

Existing law authorizes various transportation agencies, including SANDAG, to impose a transactions and use tax for transportation purposes within its jurisdiction, subject to approval of $\frac{2}{3}$ of the voters and various other requirements. Existing law provides for issuance of bonds backed by these tax revenues, as specified.

This bill would additionally authorize MTS and NCTD to individually impose a transactions and use tax within their respective portions of the County of San Diego, with revenues to be used for public transit ~~purposes~~ *purposes, as specified*, serving their jurisdictions, and to issue bonds backed by these tax revenues, subject to similar requirements.

(3) By imposing additional requirements on local agencies, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 120050.2 of the Public Utilities Code is amended to read:

120050.2. The board consists of 15 members selected as follows:

(a) One member of the County of San Diego Board of Supervisors, appointed by the board of supervisors.

(b) The mayors of the Cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, and Santee.

(c) Three members of the City Council of the City of San Diego and one member of the City Council of the City of Chula Vista, each appointed by their respective city council.

~~(d) The chairperson of the board shall be the mayor of the city with the largest population.~~

(d) The mayors of the largest city and the second largest city shall alternate between serving as the chairperson and vice chairperson of the board every four years.

SEC. 2. Section 120050.5 of the Public Utilities Code is repealed.

SEC. 3. Section 120051 of the Public Utilities Code is amended to read:

120051. The member of the board of supervisors appointed pursuant to subdivision (a) of Section 120050.2 shall represent ~~one of the two supervisorial districts~~ *district* with the greatest percentage of its area within the incorporated area of the County of San Diego within the area under the jurisdiction of the transit development board as defined in Section 120054.

~~SEC. 3.~~

SEC. 4. Section 120051.1 of the Public Utilities Code is repealed.

~~SEC. 4.~~

SEC. 5. Section 120051.6 of the Public Utilities Code is amended to read:

120051.6. The alternate members of the board shall be appointed as follows:

(a) The County of San Diego Board of Supervisors shall appoint ~~any other a county supervisor who qualifies for appointment pursuant to Section 120051~~ *represents one of the two supervisorial*

1 *districts with the greatest percentage of its area within the*
2 *incorporated area of the County of San Diego within the area, not*
3 *already appointed under Section 120051, under the jurisdiction*
4 *of the transit development board as defined in Section 120054 to*
5 *serve as an alternate member of the transit development board.*

6 (b) The city councils of the cities specified in subdivision (b)
7 of Section 120050.2 shall each individually appoint a member of
8 their respective city councils not already appointed pursuant to
9 subdivision (b) or (c) of Section 120050.2 to serve as an alternate
10 member of the transit development board for each member of the
11 city on the board.

12 (c) At its discretion, a city council or the county board of
13 supervisors may appoint a second alternate member, in the same
14 manner as first alternates are appointed, to serve on the board in
15 the event that neither a member nor the alternate member is able
16 to attend a meeting of the board.

17 (d) An alternate member and second alternate member shall be
18 subject to the same restrictions and shall have the same powers,
19 when serving on the board, as a member.

20 ~~SEC. 5.~~

21 *SEC. 6.* Section 120102.5 of the Public Utilities Code is
22 amended to read:

23 120102.5. (a) A majority of the members of the board
24 constitutes a quorum for the transaction of business. All official
25 acts of the board require the affirmative vote of the majority of the
26 weighted vote of the members present. However, any reference in
27 this division to a two-thirds vote of the members of the board shall
28 be deemed to mean the affirmative vote of two-thirds of the
29 weighted vote of the members present.

30 (b) In the case of a weighted vote, there shall be a total of 100
31 votes. Each member agency shall have that number of votes
32 annually determined by the following apportionment formula,
33 provided that each agency shall have at least one vote, and that
34 there shall be no fractional votes:

35 (1) Compute, consistent with subdivision (d), the total population
36 of the cities and the county, and compute the percentage of this
37 total for each agency.

38 (2) Boost percentage fractions in the case of each agency where
39 the total is less than one, to one, and then add to that number only
40 the whole numbers, excluding fractions, for all other agencies.

(3) If the total cumulative number under paragraph (2) is less than 100, add one vote each to the agencies that, prior to exclusion under paragraph (2), had the highest fractional amounts, but exclude from this allocation any agency whose fraction was boosted under paragraph (2), until a total of 100 votes is reached.

(4) If the total cumulative number under paragraph (2) is more than 100, subtract one vote each from the agencies that, prior to exclusion under paragraph (2), had the lowest fractional amounts, until a total of 100 votes is reached, but in no case shall an agency have less than one vote.

(c) The City of San Diego shall allocate half of its weighted vote to the mayor of the City of San Diego, and the other half shall be divided equally between the three city council members. The City of Chula Vista shall allocate its weighted vote evenly between its two members.

(d) For purposes of subdivision (b), the population of the County of San Diego is the population in the unincorporated area of the county within the area of jurisdiction of the transit development board pursuant to Section 120054.

(e) The board shall adopt a policy and procedure to implement this section.

~~SEC. 6.~~

SEC. 7. Article 11 (commencing with Section 120480) is added to Chapter 4 of Division 11 of the Public Utilities Code, to read:

Article 11. Transactions and Use Tax

120480. (a) A retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory within the area of the board pursuant to Section 120054 shall be imposed by the board in accordance with Section 120485 and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, ~~if two-thirds of the voters voting on the measure vote to approve its imposition at a special election called for that purpose by the board. and Section 2 of Article XIII C of the California Constitution.~~ The tax ordinance shall take effect at the close of the polls on the day of election at which the proposition is adopted. The initial collection of the transactions and use tax shall take place in accordance with Section 120483.

1 (b) If, at any time, the voters do not approve the imposition of
2 the transactions and use tax, this chapter remains in full force and
3 effect. The board may, at any time thereafter, submit the same, or
4 a different, measure to the voters in accordance with this chapter.

5 120481. (a) The board, in the ordinance, shall state the nature
6 of the tax to be imposed, the tax rate or the maximum tax rate, the
7 purposes for which the revenue derived from the tax will be used,
8 and may set a term during which the tax will be imposed. The
9 purposes for which the tax revenues may be used shall be limited
10 to public transit purposes serving the area of jurisdiction of the
11 board, as determined by the board, including the administration
12 of this division and legal actions related thereto. These purposes
13 include expenditures for the planning, environmental reviews,
14 engineering and design costs, and related right-of-way acquisition.
15 The ordinance shall contain an expenditure plan that shall include
16 the allocation of revenues for the purposes authorized by this
17 section.

18 (b) *As used in this section, "public transit purposes" includes*
19 *the public transit responsibilities under the jurisdiction of the*
20 *board as well as any bikeway, bicycle path, sidewalk, trail,*
21 *pedestrian access, or pedestrian accessway.*

22 120482. (a) The county shall conduct an election called by
23 the board pursuant to Section 120480.

24 (b) The election shall be called and conducted in the same
25 manner as provided by law for the conduct of elections by a county.

26 120483. (a) Any transactions and use tax ordinance adopted
27 pursuant to this article shall be operative on the first day of the
28 first calendar quarter commencing more than 110 days after
29 adoption of the ordinance.

30 (b) Prior to the operative date of the ordinance, the board shall
31 contract with the State Board of Equalization to perform all
32 functions incident to the administration and operation of the
33 ordinance. The costs to be covered by the contract may also include
34 services of the types described in Section 7272 of the Revenue
35 and Taxation Code for preparatory work up to the operative date
36 of the ordinance. Any disputes as to the amount of the costs shall
37 be resolved in the same manner as provided in that section.

38 120484. The revenues from the taxes imposed pursuant to this
39 article may be allocated by the board for public transit purposes

1 consistent with the applicable regional transportation improvement
2 program and the applicable regional transportation plan.

3 120485. The board, subject to the approval of the voters, may
4 impose a maximum tax rate of one-half of 1 percent under this
5 article and Part 1.6 (commencing with Section 7251) of Division
6 2 of the Revenue and Taxation Code. The board shall not levy the
7 tax at a rate other than one-half or one-fourth of 1 percent unless
8 specifically authorized by the Legislature.

9 120486. The board, as part of the ballot proposition to approve
10 the imposition of a retail transactions and use tax, may seek
11 authorization to issue bonds payable from the proceeds of the tax.

12 120487. Any action or proceeding wherein the validity of the
13 adoption of the retail transactions and use tax ordinance provided
14 for in this article or the issuance of any bonds thereunder or any
15 of the proceedings in relation thereto is contested, questioned, or
16 denied, shall be commenced within six months from the date of
17 the election at which the ordinance is approved; otherwise, the
18 bonds and all proceedings in relation thereto, including the adoption
19 and approval of the ordinance, shall be held to be valid and in
20 every respect legal and incontestable.

21 120488. The board has no power to impose any tax other than
22 the transactions and use tax imposed upon approval of the voters
23 in accordance with this article.

24 ~~SEC. 7.~~

25 *SEC. 8.* Section 125050 of the Public Utilities Code is amended
26 to read:

27 125050. There is hereby created, in that portion of the County
28 of San Diego as described in Section 125052, the North County
29 Transit District. The district shall be governed by a board of
30 directors. As used in this division, "board" means the board of
31 directors of the district. The board shall consist of members
32 selected as follows:

33 (a) One member of the San Diego County Board of Supervisors
34 appointed by the board of supervisors, which member shall
35 represent, on the board of supervisors, the largest portion of the
36 area under the jurisdiction of the district.

37 (b) The mayors of the Cities of Carlsbad, Del Mar, Encinitas,
38 Escondido, Oceanside, San Marcos, Solana Beach, and Vista, and
39 each new city that incorporates within the district boundaries.

~~SEC. 8.~~

SEC. 9. Section 125102 of the Public Utilities Code is amended to read:

125102. (a) A majority of the members of the board constitutes a quorum for the transaction of business. All official acts of the board require the affirmative vote of the majority of the weighted vote of the members of the board present. However, any reference in this division to a two-thirds vote of the members of the board shall be deemed to mean the affirmative vote of two-thirds of the weighted vote of the members present.

(b) In the case of a weighted vote, there shall be a total of 100 votes. Each member agency shall have that number of votes annually determined by the following apportionment formula, provided that each agency shall have at least one vote, and that there shall be no fractional votes:

(1) Compute, consistent with subdivision (c), the total population of the cities and the county, and compute the percentage of this total for each agency.

(2) Boost percentage fractions in the case of each agency where the total is less than one, to one, and then add to that number only the whole numbers, excluding fractions, for all other agencies.

(3) If the total cumulative number under paragraph (2) is less than 100, add one vote each to the agencies that, prior to exclusion under paragraph (2), had the highest fractional amounts, but exclude from this allocation any agency whose fraction was boosted under paragraph (2), until a total of 100 votes is reached.

(4) If the total cumulative number under paragraph (2) is more than 100, subtract one vote each from the agencies that, prior to exclusion under paragraph (2), had the lowest fractional amounts, until a total of 100 votes is reached, but in no case shall an agency have less than one vote.

(c) For purposes of subdivision (b), the population of the County of San Diego is the population in the unincorporated area of the county within the area of jurisdiction of the board pursuant to Section 125052.

(d) The board shall adopt a policy and procedure to implement this section.

~~SEC. 9.~~

SEC. 10. Article 9 (commencing with Section 125480) is added to Chapter 4 of Division 11.5 of the Public Utilities Code, to read:

Article 9. Transactions and Use Tax

125480. (a) A retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory within the area of the board pursuant to Section 125052 shall be imposed by the board in accordance with Section 125485 and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, ~~if two-thirds of the voters voting on the measure vote to approve its imposition at a special election called for that purpose by the board.~~ *and Section 2 of Article XIII C of the California Constitution.* The tax ordinance shall take effect at the close of the polls on the day of election at which the proposition is adopted. The initial collection of the transactions and use tax shall take place in accordance with Section 125483.

(b) If, at any time, the voters do not approve the imposition of the transactions and use tax, this chapter remains in full force and effect. The board may, at any time thereafter, submit the same, or a different, measure to the voters in accordance with this chapter.

125481. (a) The board, in the ordinance, shall state the nature of the tax to be imposed, the tax rate or the maximum tax rate, the purposes for which the revenue derived from the tax will be used, and may set a term during which the tax will be imposed. The purposes for which the tax revenues may be used shall be limited to public transit purposes serving the area of jurisdiction of the board, as determined by the board, including the administration of this division and legal actions related thereto. These purposes include expenditures for the planning, environmental reviews, engineering and design costs, and related right-of-way acquisition. The ordinance shall contain an expenditure plan that shall include the allocation of revenues for the purposes authorized by this section.

(b) *As used in this section, "public transit purposes" includes the public transit responsibilities under the jurisdiction of the district as well as any bikeway, bicycle path, sidewalk, trail, pedestrian access, or pedestrian accessway.*

125482. (a) The county shall conduct an election called by the board pursuant to Section 125480.

(b) The election shall be called and conducted in the same manner as provided by law for the conduct of elections by a county.

1 125483. (a) Any transactions and use tax ordinance adopted
2 pursuant to this article shall be operative on the first day of the
3 first calendar quarter commencing more than 110 days after
4 adoption of the ordinance.

5 (b) Prior to the operative date of the ordinance, the board shall
6 contract with the State Board of Equalization to perform all
7 functions incident to the administration and operation of the
8 ordinance. The costs to be covered by the contract may also include
9 services of the types described in Section 7272 of the Revenue
10 and Taxation Code for preparatory work up to the operative date
11 of the ordinance. Any disputes as to the amount of the costs shall
12 be resolved in the same manner as provided in that section.

13 125484. The revenues from the taxes imposed pursuant to this
14 article may be allocated by the board for public transit purposes
15 consistent with the applicable regional transportation improvement
16 program and the applicable regional transportation plan.

17 125485. The board, subject to the approval of the voters, may
18 impose a maximum tax rate of one-half of 1 percent under this
19 article and Part 1.6 (commencing with Section 7251) of Division
20 2 of the Revenue and Taxation Code. The board shall not levy the
21 tax at a rate other than one-half or one-fourth of 1 percent unless
22 specifically authorized by the Legislature.

23 125486. The board, as part of the ballot proposition to approve
24 the imposition of a retail transactions and use tax, may seek
25 authorization to issue bonds payable from the proceeds of the tax.

26 125487. Any action or proceeding wherein the validity of the
27 adoption of the retail transactions and use tax ordinance provided
28 for in this article or the issuance of any bonds thereunder or any
29 of the proceedings in relation thereto is contested, questioned, or
30 denied, shall be commenced within six months from the date of
31 the election at which the ordinance is approved; otherwise, the
32 bonds and all proceedings in relation thereto, including the adoption
33 and approval of the ordinance, shall be held to be valid and in
34 every respect legal and incontestable.

35 125488. The board has no power to impose any tax other than
36 the transactions and use tax imposed upon approval of the voters
37 in accordance with this article.

38 ~~SEC. 10.~~

39 *SEC. 11.* Section 132351.1 of the Public Utilities Code is
40 amended to read:

1 132351.1. (a) A board of directors consisting of 21 members
2 shall govern the consolidated agency.

3 (b) For purposes of this chapter, “governing body” means the
4 board of supervisors, council, council and mayor where the mayor
5 is not a member of the council, authority, trustees, director,
6 commission, committee, or other policymaking body, as
7 appropriate, that exercises authority over an entity represented on
8 the board of the consolidated agency.

9 (c) All powers, privileges, and duties vested in or imposed upon
10 the consolidated agency shall be exercised and performed by and
11 through a board of directors provided, however, that the exercise
12 of all executive, administrative, and ministerial power may be
13 delegated and redelegated by the board, to any of the offices,
14 officers, or committees created pursuant to this chapter or created
15 by the board acting pursuant to this chapter.

16 (d) The board shall be composed of one primary representative
17 of each city in the county and the chair of the San Diego County
18 Board of Supervisors. However, the City of San Diego *and the*
19 *County of San Diego* shall *each* have a primary and secondary
20 representative, which *for the City of San Diego* shall be the mayor
21 of the City of San Diego and the president of the city council.
22 Except in the case of the City of San Diego and the County of San
23 Diego, each director shall be the mayor of the governing body of
24 his or her city. Each city or county shall also select one alternate
25 to serve on the board when the primary or secondary representative,
26 if applicable, is not available. The alternate shall be subject to the
27 same restrictions and have the same powers, when serving on the
28 board, as the representative for whom he or she is substituting.
29 The alternate shall be a councilperson or supervisor, as applicable,
30 of his or her governing body.

31 (e) *Notwithstanding subdivision (d), in those years when the*
32 *chair of the San Diego County Board of Supervisors is from a*
33 *district that is substantially an incorporated area, a supervisor*
34 *who represents a district that is substantially an unincorporated*
35 *area shall be appointed to the board as the secondary*
36 *representative. Alternatively, in those years when the chair of the*
37 *San Diego County Board of Supervisors is from a district that is*
38 *substantially an unincorporated area, a supervisor who represents*
39 *a district that is substantially an incorporated area shall be*
40 *appointed to the board as the secondary representative.*

1 ~~(e)~~

2 (f) At its discretion, each city or county may select a second
3 alternate, in the same manner as the first alternate, to serve on the
4 board in the event that neither the primary representative nor the
5 first alternate is able to attend a meeting of the board. This alternate
6 shall be subject to the same restrictions and have the same powers,
7 when serving on the board, as the primary representative.

8 ~~(f)~~

9 (g) The board may allow for the appointment of advisory
10 representatives to sit with the board but in no event shall those
11 representatives be allowed a vote. The current advisory
12 representatives to the San Diego Association of Governments may
13 continue their advisory representation on the consolidated agency
14 at the discretion of their governing body. The governing bodies of
15 the County of Imperial and the cities in that county may
16 collectively designate an advisory representative to sit with the
17 board.

18 ~~SEC. 11.~~

19 SEC. 12. Section 132351.2 of the Public Utilities Code is
20 amended to read:

21 132351.2. (a) A majority of the member agencies constitute
22 a quorum for the transaction of business. In order to act on any
23 item, the affirmative vote of the majority of the weighted vote of
24 the members present is required.

25 (b) The governing body of the City of San Diego *and the County*
26 *of San Diego* shall allocate ~~its~~ *their* weighted votes equally between
27 ~~its~~ *their* primary and secondary members.

28 (c) For the weighted vote, there shall be a total of 100 votes,
29 except additional votes shall be allowed pursuant to subdivision
30 (f). Each member agency shall have that number of votes
31 determined by the following apportionment formula, provided that
32 each agency shall have at least one vote and there shall be no
33 fractional votes:

34 (1) Compute the total population of the San Diego region and
35 compute the percentage of this total for each agency.

36 (2) Boost percentage fractions in the case of each agency where
37 the total is less than one, to one, and then add to that number only
38 the whole numbers, excluding fractions, for all other agencies.

39 (3) If the total cumulative number under paragraph (2) is less
40 than 100, add one vote each to the agencies that, prior to exclusion

1 under paragraph (2), had the highest fractional amounts, but
2 exclude from this allocation any agency whose fraction was
3 boosted under paragraph (2), until a total of 100 votes is reached.

4 (4) If the total cumulative number under paragraph (2) is more
5 than 100, subtract one vote each from the agencies that, prior to
6 exclusion under paragraph (2), had the lowest fractional amounts,
7 until a total of 100 votes is reached, but in no case shall an agency
8 have less than one vote.

9 (d) The weighted vote formula under subdivision (c) shall be
10 recomputed every July 1.

11 (e) Any newly incorporated city shall receive one vote under
12 the weighted vote procedure until the next recomputation of the
13 weighted vote formula under subdivision (c), at which time the
14 new agency shall receive votes in accordance with the recomputed
15 formula. Until this recomputation, the total weighted vote may
16 exceed 100.

17 ~~SEC. 12.~~

18 *SEC. 13.* Section 132351.4 of the Public Utilities Code is
19 amended to read:

20 132351.4. (a) The consolidated agency shall have five standing
21 policy advisory committees named the executive, transportation,
22 regional planning, borders, and audit committees. The
23 responsibilities of the committees shall be established by the board.
24 Committee membership may be expanded by the consolidated
25 agency, and shall be selected in accordance with a process
26 established by the consolidated agency. The membership shall be
27 as follows:

28 (1) The executive committee shall consist of six voting members
29 with board members representing east county, north county coastal,
30 north county inland, south county, and the representative, or the
31 representative's alternate in their absence, from the City of San
32 Diego and the county. The chairperson and the vice chairperson
33 of the consolidated agency shall each be one of the six voting
34 members.

35 (2) (A) The transportation committee shall consist of nine voting
36 members with board members or alternates representing east
37 county, north county coastal, north county inland, south county
38 and the mayor or a council member from the City of San Diego,
39 a supervisor from the County of San Diego, a member of the board
40 of the MTDB appointed by the board of the MTDB, a member of

1 the board of the NCTD appointed by the board of the NCTD, and
2 a member of the San Diego County Regional Airport Authority
3 appointed by the airport authority.

4 (B) Among its transportation responsibilities, the transportation
5 committee shall provide a strong focus and commitment to meeting
6 the public transit needs of the San Diego region, set transit funding
7 criteria and recommend transit funding levels, and undertake transit
8 responsibilities resulting from consolidation, as delegated by the
9 board.

10 (C) The board shall provide a report, developed by the
11 transportation committee, to the Legislature on or before July 1 of
12 each year that outlines the public transit needs, transit funding
13 criteria, recommended transit funding levels, and additional work
14 on public transit, as delegated to the transportation committee by
15 the board. The report shall specify the funds spent explicitly on
16 public transportation. The report shall be submitted consistent with
17 Section 9795 of the Government Code.

18 (3) The regional planning committee shall consist of six voting
19 members with board members or alternates representing east
20 county, north county coastal, north county inland, south county,
21 and the mayor or a council member from the City of San Diego,
22 and a supervisor from the County of San Diego.

23 (4) The borders committee shall consist of seven voting
24 members with board members or alternates representing east
25 county, north county coastal, north county inland, south county,
26 the mayor or a council member from the City of San Diego, a
27 supervisor from the County of San Diego, and a mayor, council
28 member, or supervisor from the County of Imperial.

29 (5) The audit committee shall consist of five voting members
30 with two board members and three members of the public to be
31 appointed by the board. ~~The audit committee shall oversee and~~
32 ~~direct the work of the independent auditor pursuant to subdivision~~
33 ~~(b) of Section 132354.1. The audit committee shall recommend to~~
34 ~~the board the contract of the firm conducting the annual financial~~
35 ~~statement audits and the hiring of the independent performance~~
36 ~~auditor and approve the annual audit plan after discussion with~~
37 ~~the independent performance auditor pursuant to subdivision (b)~~
38 ~~of Section 132354.1.~~

39 (b) The board may appoint other standing and ad hoc working
40 groups to advise it in carrying out its responsibilities.

(c) No board member may serve as a member of more than two standing policy advisory committees at any one time, except those board members serving on the audit committee.

~~SEC. 13.~~

SEC. 14. Section 132352.3 of the Public Utilities Code is amended to read:

132352.3. The officers of the board are the chairperson and the vice chairperson. The mayors of the largest city and the second-largest city shall alternate between serving as chairperson and vice chairperson for four-year terms. The board may create additional officers and elect members to those positions. However, no member may hold more than one office. The term of office for any officers of the board other than the chairperson and the vice chairperson shall be established by the board.

~~SEC. 14.~~

SEC. 15. Section 132354.1 of the Public Utilities Code is amended to read:

132354.1. (a) The board shall arrange for a post audit of the financial transactions and records of the consolidated agency to be made at least annually by a certified public accountant.

~~(b) The audit committee shall appoint an independent auditor, subject to approval by the board, to perform audits of the consolidated agency, which shall include, but not be limited to, all of the following:~~

~~(1) Financial transactions report.~~

~~(2) Expenditure plan.~~

~~(3) Annual budget.~~

~~(4) Revenue forecasts.~~

~~(e) The independent auditor shall serve a term of five years, and may only be removed for cause.~~

(b) (1) The audit committee shall appoint an independent performance auditor, subject to approval by the board, who may only be removed for cause by a vote of at least two-thirds of the audit committee and the board.

(2) The independent performance auditor shall have authority to conduct or to cause to be conducted performance audits of all departments, offices, boards, activities, agencies, and programs of the consolidated agency. The auditor shall prepare annually an audit plan and conduct audits in accordance therewith and perform those other duties as may be required by ordinance or as provided

1 by the California Constitution and general laws of the state. The
2 auditor shall follow government auditing standards. All officers
3 and employees of the consolidated agency shall furnish to the
4 auditor unrestricted access to employees, information, and records,
5 including electronic data, within their custody regarding powers,
6 duties, activities, organization, property, financial transactions,
7 contracts, and methods of business required to conduct an audit
8 or otherwise perform audit duties. It is also the duty of any
9 consolidated agency officer, employee, or agent to fully cooperate
10 with the auditor, and to make full disclosure of all pertinent
11 information.

12 (3) The auditor shall have the power to appoint, employ, and
13 remove assistants, employees, and personnel as deemed necessary
14 for the efficient and effective administration of the affairs of the
15 office and to prescribe their duties, scope of authority, and
16 qualifications.

17 (4) The auditor may investigate any material claim of financial
18 fraud, waste, or impropriety within the consolidated agency and
19 for that purpose may summon any officer, agent, or employee of
20 the consolidated agency, any claimant, or other person, and
21 examine him or her upon oath or affirmation relative thereto. All
22 consolidated agency contracts with consultants, vendors, or
23 agencies will be prepared with an adequate audit provision to
24 allow the auditor access to the entity's records needed to verify
25 compliance with the terms specified in the contract. Results of all
26 audits and reports shall be made available to the public in
27 accordance with the requirements of the California Public Records
28 Act (Chapter 3.5 (commencing with Section 6250) of Division 7
29 of the Title 1 of the Government Code).

30 ~~(d)~~

31 (c) The board shall develop and adopt internal control guidelines
32 to prevent and detect financial errors and fraud based on the internal
33 control guidelines developed by the Controller pursuant to Section
34 12422.5 of the Government Code and the standards adopted by
35 the American Institute of Certified Public Accountants.

36 ~~(e)~~

37 (d) The board shall develop and adopt an administration policy
38 that includes a process to conduct staff performance evaluations
39 on a regular basis to determine if the knowledge, skills, and abilities
40 of staff members are sufficient to perform their respective

1 functions, and shall monitor the evaluation process on a regular
2 basis.

3 ~~SEC. 15.~~

4 *SEC. 16.* Section 132360.1 of the Public Utilities Code is
5 amended to read:

6 132360.1. In preparing and updating the regional
7 comprehensive plan, it is the intent of the Legislature that:

8 (a) The regional comprehensive plan preserve and improve the
9 quality of life in the San Diego region, maximize mobility and
10 transportation choices, and conserve and protect natural resources.

11 (b) The regional comprehensive plan shall address the
12 greenhouse gas emissions reduction rules and regulations adopted
13 by the State Air Resources Board pursuant to Section 38560 of
14 the Health and Safety Code and the statewide greenhouse gas
15 emissions limit set forth in Section 38566 of the Health and Safety
16 Code and include strategies in that regard, including the
17 establishment of aggressive nonautomobile modal share targets
18 for the region.

19 (c) The regional comprehensive plan shall identify
20 disadvantaged communities as designated pursuant to Section
21 39711 of the Health and Safety Code and include transportation
22 strategies to reduce pollution exposure in these communities.

23 (d) In formulating and maintaining the regional comprehensive
24 plan, the consolidated agency shall take account of and shall seek
25 to harmonize the needs of the region as a whole, the plans of the
26 county and cities within the region, and the plans and planning
27 activities of organizations that affect or are concerned with planning
28 and development within the region.

29 (e) The consolidated agency shall engage in a public
30 collaborative planning process. The recommendations resulting
31 from the public collaborative planning process shall be made
32 available to and considered by the consolidated agency for
33 integration into the draft regional comprehensive plan. The
34 consolidated agency shall adopt a procedure to carry out this
35 process including a method of addressing and responding to
36 recommendations from the public.

37 (f) In formulating and maintaining the regional comprehensive
38 plan, the consolidated agency shall seek the cooperation and
39 consider the recommendations of all of the following:

1 (1) Its member agencies and other agencies of local government
2 within the jurisdiction of the consolidated agency.

3 (2) State and federal agencies.

4 (3) Educational institutions.

5 (4) Research organizations, whether public or private.

6 (5) Civic groups.

7 (6) Private individuals.

8 (7) Governmental jurisdictions located outside the region but
9 contiguous to its boundaries.

10 (g) The consolidated agency shall make the regional
11 comprehensive plan, policies, and objectives available to all local
12 agencies and facilitate consideration of the regional comprehensive
13 plan in the development, implementation, and update of local
14 general plans. The consolidated agency shall provide assistance
15 and enhance the opportunities for local agencies to develop,
16 implement, and update general plans in a manner that recognizes,
17 at a minimum, land use, transportation compatibility, and a
18 jobs-to-housing balance within the regional comprehensive plan.

19 (h) The consolidated agency shall maintain the data, maps, and
20 other information developed in the course of formulating the
21 regional comprehensive plan in a form suitable to assure a
22 consistent view of developmental trends and other relevant
23 information for the availability of and use by other government
24 agencies and private organizations.

25 (i) The components of the regional comprehensive plan may
26 include, but are not limited to, transportation, housing, water
27 quality and supply, infrastructure, air quality, energy, solid waste,
28 economy, and open space, including habitat. Performance standards
29 and measurable criteria shall be established through a public
30 process to ensure that the regional comprehensive plan is prepared
31 consistent with these measures as well as in determining
32 achievement of the regional comprehensive plan goals throughout
33 its implementation.

34 (j) Any water supply component or provision of the regional
35 infrastructure strategy regarding water supply contained in the
36 regional comprehensive plan shall be consistent with the urban
37 water management plan and other adopted regional water facilities
38 and supply plans of the San Diego County Water Authority.

1 ~~SEC. 16.~~

2 *SEC. 17.* If the Commission on State Mandates determines that
3 this act contains costs mandated by the state, reimbursement to
4 local agencies and school districts for those costs shall be made
5 pursuant to Part 7 (commencing with Section 17500) of Division
6 4 of Title 2 of the Government Code.

O